

End Child Poverty Act

Rep. Rashida Tlaib | Rep. Mondaire Jones



In the United States we have one of the highest child poverty rates in the developed world. As the critical Child Tax Credit expansion expires, we cannot afford to let millions of families slide backwards into poverty. No family should ever enter poverty solely because they have added a child to their family. Now is the time to build on the robust anti-poverty investments in the American Rescue Plan and provide families urgently needed financial security **by creating a Universal Child Benefit (UCB) of \$393 per month per child.**

Background:

In 2017, the child poverty rate in the U.S. was 21.2%. In Canada, the same number was 11.4%. Black, Hispanic, and American Indian and Alaskan Native children have the highest, disproportionate rates of poverty. Black children are 14.4% of the total child population but constitute 27.3% of children living in poverty. The groundbreaking Child Tax Credit expansion signed into law in the American Rescue Plan cut child poverty in America by 45 percent – and with a Universal Child Benefit, we can do even better.

Our existing programs are leaving too many of our nation's children behind. The US' two main child benefit programs—the Child Tax Credit and the Earned Income Tax Credit—are currently structured in a way that largely **excludes the poorest 9% of kids entirely**, and partially exclude the next poorest 13%. In addition, non-universal programs are usually accompanied by prohibitive obstacles, like complicated paperwork and confusing eligibility requirements that are barriers for help.

Solution:

The End Child Poverty Act would build on the groundbreaking Child Tax Credit expansion to create a **universal child allowance administered through the Social Security Administration.**

- **The payment would be set to \$393 per child/per month.** A monthly benefit will ensure families can incorporate payments into their budgets and daily needs, rather than waiting for an annual lump sum that is hard to plan for and arrives too late to cover many expenses.
- **This program would be universal and include no income phase-ins or phase-outs.** Children will be automatically enrolled at birth, and every family would receive a monthly payment for every child they are currently caring for between the ages of 0 and 18.
- **The Universal Child Benefit would be paid out by the Social Security Administration (SSA).** The SSA currently sends out monthly checks to 50 million seniors, and it has the administrative capacity to send out checks to the parents of the nation's 77 million children efficiently and effectively.

- **The Universal Child Benefit would fully replace the Child Tax Credit and the child provisions of the Earned Income Tax Credit.** The UCB is more generous than existing EITC and CTC child benefit provisions at every percentile of the earning distribution, and ensures that every child – including the most vulnerable – will be eligible.

Estimates produced by the People’s Policy Project show that the UCB would cut child poverty by 64% and cut deep child poverty by 70%. By providing monthly checks to all children, the Universal Child Benefit created by the **End Child Poverty Act** would benefit all families. The Universal Child Benefit would make it easier for working class people to afford necessities like diapers and childcare, and provide a long overdue safety net for our nation’s families and children.

The End Child Poverty Act is endorsed by:

Mothering Justice

Michigan United

People’s Policy Project

Wayne Metro Community Action Agency

We The People Michigan

For more information on the End Child Poverty Act, please contact Rep. Tlaib’s office at Rashida@mail.house.gov.